I. Amendments to the Specification:

Please add following new paragraph as the first paragraph on page 1 of the specification:

This application is a continuation of U.S. Patent Appln. No. 09/182,475 incorporated herein by reference.

Please replace paragraph [0003] with the following amended paragraph:

[0003]   In use, the electronic writeboard is connected to a host processor such as a personal computer operating in a Windows® (computer operating system) environment and executing applications software, via a serial data connection. The electronic writeboard can be operated in one of three modes, namely a projected mouse mode, a projected mark-up mode and a non-projected mode.

Please replace paragraph [0009] as follows.

Unfortunately, only the application with input focus may receive inputs from peripheral devices, such as a mouse or a keyboard. Therefore input focus must be removed from the on-screen keyboard and given back to the application in order for the application to receive any input from the on-screen keyboard. Switching input focus from the on-screen keyboard to the application each time the on-screen keyboard is touched causes many unpleasant side effects. Firstly, a change in the activation state of an application causes the application to refresh or redraw portions of itself. This means that every time input focus is changed from the active application to the on-screen keyboard and then back to the application, the application will flicker as it refreshes. Secondly, a loss of input focus causes the application to close all of its open menus. As a result, prior art on-screen keyboards cannot be used to navigate through the menus of an active application. Finally, some applications, such as Internet Explorer™ (Internet browser), do not retain the text insertion point whenever input focus is lost. This means that when input focus is switched from the active application to the on-screen keyboard and then back to the application, the cursor is often positioned at a different point than where the cursor

-2-

was prior to the active application losing input focus. In some circumstances, this makes it impossible to type text into certain fields using an on-screen keyboard.